GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1841
ANSWERED ON:29.11.2007
OPENING OF GAS AGENCIES
Paswan Shri Sukdeo

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Oil PSUs have not allotted any gas agencies since 2003;

(b) if so, the reasons therefor;

(c) whether few LOI issued in the year 2003, have not been given agencyship so far;

(d) if so, whether present strength of gas agencies in all over the country is sufficient to fulfil the day to day requirement of LPG; and

(e) if not, the reasons for stopping the allotment of new gas agency?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) : No, Sir. Public Sector Oil Marketing Companies (OMCs) have allotted 1167 LPG distributorships in the country since 2003.

(b) : Does not arise in view of (a) above.

(c) : Yes, Sir. OMCs have reported that only 35 distributorships allotted since 2003 have not been commissioned till now. Commissioning of the LPG distributorships depends upon the capacity of the LOI holder to identify suitable land and create the necessary infrastructure for setting up of LPG distributorship in all cases except for SC/ST category, where OMCs are required to provide the same.

(d) & (e) : As on 1.10.2007, OMCs are serving 979.8 lakh LPG customers through their 9355 LPG distributorships in the country. OMCs have reported that at present, there is no overall shortage of LPG in the country and LPG supplies to distributors are being made by the OMCs through indigenous production and imports in accordance with the requirement of customers registered with the LPG distributors. The setting up of LPG distributorship is a continuous process and involves identifying of a suitable location, arranging land for setting up of godown and other statutory clearances. OMCs have finalized a common industry marketing plan covering 841 locations for setting up of LPG distributorships in the country mainly in rural and urban-rural (semi-urban) locations.